

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

PLAINTIFFS' DAMAGES INQUEST MEMORANDUM

Exhibit J



Smith Economics Group, Ltd.

A Division of Corporate Financial Group
Economics / Finance / Litigation Support

Stan V. Smith, Ph.D.
President

February 13, 2012

Mr. Thomas E. Mellon, Jr.
Mellon Webster & Shelly
87 North Broad Street
Doylestown, PA 18901

Re: Havlish v. bin Laden – Prejudgment Interest on Compensatory Damages

Dear Mr. Mellon:

You have asked me to calculate prejudgment interest on compensatory damages of \$1,677,750,000. Heretofore I have provided prejudgment interest only on the economic damages for the 47 decedents. There has been no prejudgment calculation on any compensatory damages regarding any of the plaintiffs.

To calculate the prejudgment interest on the \$1,677,750,000 compensatory damages amount, I used the annual average of monthly interest rates for 30 day U.S. Treasury Bills, which is the same basis as I used for the economic damages. And as I did for the economic damages, I calculated the simple, not compounded rates of interest on the compensatory damages.

Baker v. Syria, 775 F.Supp.2d 48 (D.D.C. March 30, 2011) appears to allow for the use of the prime rate of interest. Had I used the prime rate and compounded the annual interest, I believe my calculations would result in much greater prejudgment interest totals, more than double the figures I arrived at. Thus, I believe my interest calculations to be very conservative.

The actual rates I used are 3.8 percent for 2001, 1.6 percent for 2002, 1.0 percent for 2003, 1.2 percent for 2004, 3.0 percent for 2005, 4.8 percent for 2006, 4.7 percent for 2007, 1.6 percent for 2008, 0.1 percent for 2009, and 0.1 percent for 2010. The rate for 2011 and 2012 is illustrated at 3.9 percent.

Based on the above assumptions, my opinion of the prejudgment interest on the total compensatory damages, from 9/11/2011 to January 1, 2013, is \$453,999,150.

Sincerely,

A handwritten signature in black ink that reads "Stan V. Smith".

Stan V. Smith, Ph.D.
President